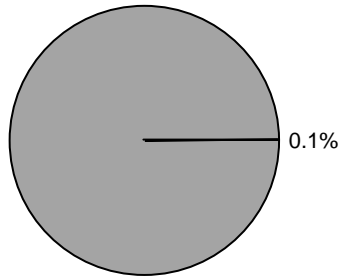


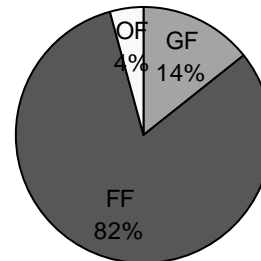
FY2006 Budget Briefing

Secretary of State

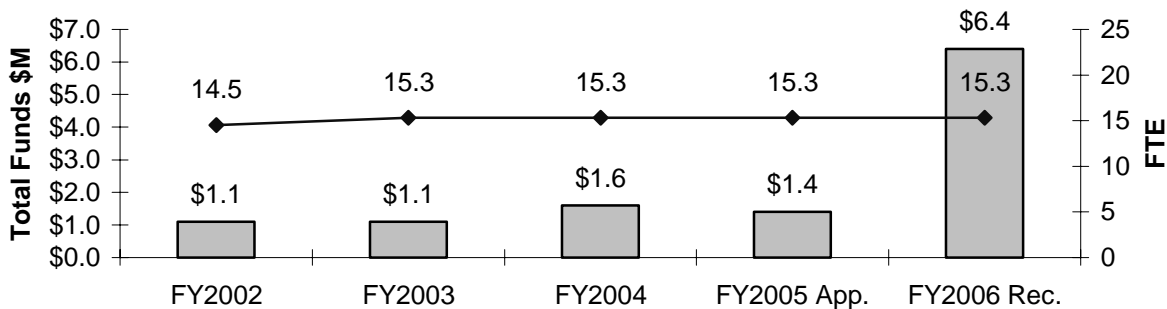
Agency's Share of Total
Budgeted State General Fund
FY2006



Agency's Funding Source Split
Governor's Recommended FY2006
Budget



Budget History



Key Responsibilities

- To promote the efficient operation of state government through the efficacious performance of statutory “secretarial duties”;
- To provide leadership and assistance in federal, state, and local elections;
- To accurately and efficiently administer the corporation and Uniform Commercial Code (UCC) functions prescribed by South Dakota and federal law;
- To provide efficient and accurate operations in the filing and recording of all public state documents.

Key Personnel

- Secretary of State, Chris Nelson
- Deputy Secretary, Chad Heinrich
- Supervisor of Elections, Kea Warne

Secretary of State

The budget for the Office of the Secretary of State is funded by the state's General Fund, funding from the federal Help America Vote Act, and revenue generated from the operation of the Central Filing System (CFS) of Uniform Commercial Code (UCC) documents. For FY2006, the Governor recommends total funding of \$902,179 general, \$5,220,556 federal, and \$272,500 from other funds, and 15.3 FTEs.

Item	Actual FY2004	Approved FY2005	Agency Req. FY2006	Gov. Rec. FY2006	Change from FY2005	% Change from FY2005
Personal Services	712,781	762,732	762,218	762,218	(514)	-0.1%
Travel	14,700	18,940	18,940	18,940	-	0.0%
Contractual Services	372,651	477,535	499,927	499,927	22,392	4.7%
Supplies and Materials	105,324	109,600	109,050	109,050	(550)	-0.5%
Grants and Subsidies	334,757	-	-	-	-	0.0%
Capital Outlay	15,423	8,400	5,005,100	5,005,100	4,996,700	59484.5%
TOTAL	1,555,636	1,377,207	6,395,235	6,395,235	5,018,028	364.4%
Funding Sources:						
General Funds	877,213	902,179	902,179	902,179	-	0.0%
Federal Funds	479,089	201,554	5,220,556	5,220,556	5,019,002	2490.2%
Other Funds	199,334	273,474	272,500	272,500	(974)	-0.4%
TOTAL	1,555,636	1,377,207	6,395,235	6,395,235	5,018,028	364.4%
FTE	14.8	15.3	15.3	15.3	-	0.0%

Major Expansions and Reductions

Budget Item	Agency Request			Governor's Recommendation		
	State General Fund	All Funds	FTE	State General Fund	All Funds	FTE
A. Contractual Services	-	22,392	0.0	-	22,392	0.0
B. Capital Outlay	-	4,996,700	0.0	-	4,996,700	0.0
Total	-	5,019,092	0.0	-	5,019,092	0.0

The major expansions and reductions are as follows:

- A. Contractual Services: The Governor recommends an increase of \$20,000 from federal funds for the Secretary of State to implement aspects of the Help America Vote Act, specifically advertising related to voter education.
- B. The Governor recommends an increased appropriation from federal funds for capital outlay of \$5,000,000 (there are slight reductions offsetting this) to purchase voting machines for every polling place throughout the state as mandated by the Help America Vote Act. The Secretary anticipates purchasing 800 machines at \$6,250 per machine with this one-time amount.
- C. Contractual Services recommended for FY2006 is almost double FY2003's Actual.

D. The Governor's recommendation for the Secretary of State's office for FY2006 is the same as the Secretary's request.

E. General Fund Reversions for the 5 most recent fiscal years were: FY2004, \$8,848; FY2003, \$8,701; FY2002, \$0; FY2001, \$78; and FY2000, \$0.

Revenues

	<u>Actual</u>			<u>FY2006</u>	<u>%Change</u>
	<u>FY2003</u>	<u>Actual FY2004</u>	<u>FY2005 Estm.</u>	<u>Estm.</u>	<u>Over FY2003</u>
UCC	\$ 885,502	\$ 1,042,898	\$ 1,100,000	\$ 1,100,000	24.2%
Voter Registration Lists	\$ 7,100	\$ 17,875	\$ 8,000	\$ 10,000	40.8%
Pistol Permits	\$ 77,773	\$ 69,765	\$ 70,000	\$ 70,000	-10.0%
Domestic Corporations	\$ 1,160,573	\$ 1,478,056	\$ 1,500,000	\$ 1,500,000	29.2%
Foreign Corporations	\$ 1,073,293	\$ 1,248,169	\$ 1,300,000	\$ 1,300,000	21.1%
Trademark Registrations	\$ 28,070	\$ 48,700	\$ 50,000	\$ 50,000	78.1%
Notaries Public	\$ 24,244	\$ 93,451	\$ 95,000	\$ 95,000	291.8%
Copies (Except UCC)	\$ 53,646	\$ 64,746	\$ 55,000	\$ 55,000	2.5%
Miscellaneous	\$ 61,756	\$ 33,035	\$ 35,000	\$ 35,000	-43.3%
Total	\$ 3,371,957	\$ 4,096,695	\$ 4,213,000	\$ 4,215,000	25.0%

Selected Performance Indicators

	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ESTIMATED</u>	<u>ESTIMATED</u>
	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>
Domestic Corporations	\$ 1,160,573	\$ 1,478,046	\$ 1,500,000	\$ 1,500,000
Foreign Corporations	\$ 1,070,293	\$ 1,248,169	\$ 1,300,000	\$ 1,300,000
Uniform Commercial Code	\$ 885,502	\$ 1,042,898	\$ 1,100,000	\$ 1,100,000
Dakota Fast File Registrants	392	1,035	1,200	1,300
Effective Financing Statements	20,975	9,592	10,000	10,000
Pistol Permits	11,075	10,024	10,500	10,500
Notary Commissions	2,219	3,767	3,500	3,200
Statewide Campaign Finance Reports	648	280	600	250

Other Departmental Issues

A. Interim Appropriation Actions

	Approved FY2005 Budget	Interim Action	Revised Budget
No Actions Were Taken.			
Personal Services	\$ 762,732	\$ -	\$ 762,732
Operating Expenditures	\$ 614,475	\$ -	\$ 614,475
Total	\$ 1,377,207	\$ -	\$ 1,377,207
Funding Sources:			
General Funds	\$ 902,179	\$ -	\$ 902,179
Federal Funds	\$ 201,554	\$ -	\$ 201,554
Other Funds	\$ 273,474	\$ -	\$ 273,474
Total	\$ 1,377,207	\$ -	\$ 1,377,207
F.T.E.	15.3	-	15.3